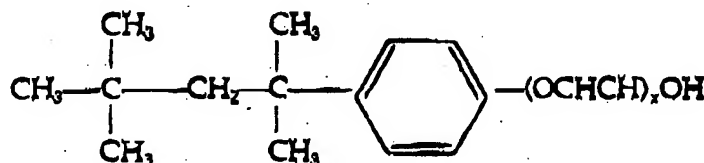


**IN THE CLAIMS:**

Claim 1 (currently amended): A method of improving shrink-resistance of natural fibers, synthetic fibers, or mixtures thereof, or fabrics or yarns composed of natural fibers, synthetic fibers, or blends thereof, comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant, rinsing said fibers or fabric or yarn and optionally subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer.

Claim 2 (original): The method according to claim 1, wherein said non-ionic surfactant is an alkylaryl polyether alcohol having the following structural formula:



in which x indicates the average number of ethylene oxide units in the ether side chain and x ranges from 7 to 10.

Claims 3-4 (cancelled).

Claim 5 (currently amended): The method according to claim 4 2, wherein x is 9 to 10.

Claims 6-7 (cancelled).

Claim 8 (currently amended): The method according to claim 7 2, wherein x is 7 to 8.

Claim 9 (currently amended): The method according to claim 1, said method comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant, rinsing said fibers or fabric or yarn and subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease, sodium sulfite, triethanolamine, ~~and~~ non-ionic surfactant, and ~~optionally~~ polyacrylamide polymer.

Claims 10-11 (cancelled).

Claim 12 (original): The method according to claim 1, wherein said method does not utilize dichloroisocyanuric acid, chloroamines, peroxymonosulfuric acid, monoperoxyphthalic acid, permanganate, chlorine gas, sodium hypochlorite, or aminoplast resins.

Claim 13 (currently amended): The method according to claim 2 3, wherein x is 7 to 8 or 9 to 10.

Claim 14 (original): A product produced by the method according to claim 1.

Claim 15 (cancelled).

Claim 16 (currently amended): The method according to claim 1, said method consisting essentially of contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant, rinsing said fibers or fabric or yarn and subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer.

Claim 17 (cancelled).

Claim 18 (currently amended): The method according to claim 1, said method consisting essentially contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant, rinsing said fibers or fabric or yarn and subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease, sodium sulfite, triethanolamine, and non-ionic surfactant, and optionally polyacrylamide polymer.

Claim 19 (cancelled).

Claim 20 (currently amended): The method according to claim 1, said method comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>,

gluconic acid, dicyandiamide, and non-ionic surfactant at a temperature between about 30°C and about 45°C, rinsing said fibers or fabric or yarn and optionally subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer.

Claim 21 (currently amended): The method according to claim 1, said method comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant at 30°C-45°C, rinsing said fibers or fabric or yarn and optionally subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer.

Claim 22 (currently amended): The method according to claim 1, said method comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant at a temperature between about 30°C and about 40°C, rinsing said fibers or fabric or yarn and optionally subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer.

Claim 23 (currently amended): The method according to claim 1, said method comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant at 30°C-40°C, rinsing said fibers or fabric

or yarn and ~~optionally~~ subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer.

Claim 24 (currently amended): The method according to claim 1, said method comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant at a reaction temperature between about 30°C and about 45°C, rinsing said fibers or fabric or yarn and ~~optionally~~ subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer at a temperature between about 40°C and about 55°C.

Claim 25 (currently amended): The method according to claim 1, said method comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant at a reaction temperature between about 30°C and about 45°C, rinsing said fibers or fabric or yarn and ~~optionally~~ subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer at 40°C-55°C.

Claim 26 (currently amended): The method according to claim 1, said method comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>,

gluconic acid, dicyandiamide, and non-ionic surfactant at a reaction temperature between about 30°C and about 45°C, rinsing said fibers or fabric or yarn and optionally subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer at a temperature between about 40°C and about 55°C and subsequently inactivating said protease.

Claim 27 (new): The method according to claim 1, wherein said method comprises contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant, rinsing said fibers or fabric or yarn and subsequently contacting said fibers or fabric or yarn with a bath consisting of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer.

Claim 28 (new): The method according to claim 1, wherein said method comprises contacting said fibers or fabric or yarn with a bath consisting of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant, rinsing said fibers or fabric or yarn and subsequently contacting said fibers or fabric or yarn with a bath consisting of water, protease and non-ionic surfactant and optionally sodium sulfite and optionally triethanolamine and optionally polyacrylamide polymer.

Claim 29 (new): The method according to claim 1, wherein said natural fibers are selected from the group consisting of wool, wool fibers, and animal hair.

Claim 30 (new): The method according to claim 1, said method comprising contacting said fibers or fabric or yarn with a bath consisting essentially of water, NaOH, H<sub>2</sub>O<sub>2</sub>, gluconic acid, dicyandiamide, and non-ionic surfactant, rinsing said fibers or fabric or yarn and subsequently contacting said fibers or fabric or yarn with a bath consisting essentially of water, protease, triethanolamine, non-ionic surfactant, polyacrylamide polymer, and optionally sodium sulfite.